

## Message Text

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44

ACTION EUR-25

INFO OCT-01 ADP-00 OMB-01 TRSE-00 AID-20 CIAE-00 DODE-00

PM-07 H-02 INR-10 L-03 NSAE-00 NSC-10 PA-03 RSC-01

PRS-01 SS-15 USIA-12 EB-11 AF-10 RSR-01 /133 W

----- 023918

R 221110 Z JUN 73

FM AMEMBASSY LISBON

TO SECSTATE WASHDC 8128

INFO AMEMBASSY COPENHAGEN

USMISSION NATO

AMEMBASSY REYKJAVIK

SACLANT

C O N F I D E N T I A L LISBON 2316

EO 11652: GDS

TAGS: MARR, PO

SUBJECT: U. S. AID TO ICELAND

1. IN CONVERSATION WITH CHARGE AND EUR/ IB DIRECTOR RABENOLD JUNE 20, PORTUGUESE FOREIGN MINISTER PATRICIO REFERRED TO STATEMENTS MADE BY SECRETARY ROGERS AT NATO MINISTERIAL IN COPENHAGEN CONCERNING U. S. AID TO ICELAND. ACCORDING TO PATRICIO SECRETARY ROGERS INDICATED THAT ICELAND WAS RECEIVING SIGNIFICANT ECONOMIC BENEFIT FROM PRESENCE U. S. FORCES IN ICELAND. PATRICIO INTERPRETED THESE REMARKS TO MEAN THAT ICELAND WAS RECEIVING SUBSTANTIAL BUDGETARY SUBVENTION FROM USG IN EXCHANGE FOR KEFLAVIK BASE RIGHTS. CONTRASTING THIS WITH COMPENSATION PORTUGAL IS RECEIVING FOR AZORES, HE OBSERVED THAT APPARENTLY KEFLAVIK WAS CONSIDERED MORE IMPORTANT THAN THE AZORES.

2. U. S. OFFICIALS PRESENT GAVE AS THEIR OPINION THAT SECRETARY WAS UNDOUBTEDLY REFERRING TO THE ECONOMIC BENEFITS ACCRUING TO ICELAND FROM THE PRESENCE OF U. S.  
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FORCES IN THE FORM OF PURCHASES, CONTRACTS, LOCAL SALARIES, ETC. , BUT UNDERTOOK TO CONFIRM THIS IMPRESSION.

3. IT CLEAR THAT PORTUGUESE ARE WATCHING ICELAND DEVELOPMENTS VERY CLOSELY WITH VIEW TO ENHANCING QUID PRO QUO FOR AZORES WHEN NEGOTIATIONS FOR BASE RENEWAL RESUME THIS YEAR. WE WOULD HOPE IT WOULD BE POSSIBLE TO REPORT TO PATRICIO THAT U. S. BASE RIGHTS IN ICELAND ARE UNCOMPENSATED BY AN AID PACKAGE, BUT THAT IN FACT ICELANDIC GOVERNMENT PROVIDES BASE GEOGRAPHY AS CONTRIBUTION TO COMMON NATO EFFORT. WE WOULD HOPE PORTUGUESE WOULD DRAW SIMILAR ANALOGY WITH RESPECT TO AZORES. WOULD GREATLY APPRECIATE SPECIFIC INFORMATION CONCERNING U. S. AID TO ICELAND AND ANY RELATIONSHIP BETWEEN AID AND BASE RIGHTS THERE.  
POST

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NNNNMAFVVZCZ

\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* CONFIDENTIAL

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 JUN 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** boyleja  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GDS  
**Errors:** n/a  
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**Page Count:** 2  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 15 AUG 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <15-Aug-2001 by willialc>; APPROVED <19-Sep-2001 by boyleja>  
**Review Markings:**

Declassified/Released  
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EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Subject:** U. S. AID TO ICELAND  
**TAGS:** MARR, PO  
**To:** COPENHAGEN  
EUR  
NATO  
REYKJAVIK  
SACLANT  
SECSTATE WASHDC  
**Type:** TE

**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005